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FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY

**By Hand Delivery**

Mr. William F. Caton, Acting Secretary  
Federal Communications Commission  
1919 M Street, NW, Room 222  
Washington, DC 20554

Re: Notice of *Ex Parte* Communication in Local Competition Provisions in the  
Telecommunications Act of 1996, CC Docket 96-98/and RM 9101

Dear Mr. Caton:

On Tuesday, September 16, 1997, on behalf of the Local Competition Users Group ("LCUG"), Douglas W. Kinkoph and Jane Kunka of LCI International Telecom Corp. ("LCI"); Richard Fruchterman of WorldCom; Bob Welborn and Richard Juhnke of Sprint; Al Lewis of AT&T; Genny Morelli and Terry Monroe of the Competitive Telecommunications Association (CompTel); John Ruja and Amy Zirkle of MCI; and Jodie Kelley of Jenner & Block met at CompTel with Advisers to Commissioners of the Federal Communications Commission's ("FCC"). Other LCUG member company representatives participated in the meeting via conference call. Representing LCUG on the conference call were Michael Pfau and Bob Young of AT&T. The FCC's Advisers in attendance were Thomas Boasberg of Chairman Reed Hundt's office; Jim Casserly of Commissioner Susan Ness's office; Kathy Franco of Commissioner Rachelle Chong's office; and Paul Gallant of Commissioner James Quello's office.

In our discussions, LCUG's representatives discussed the LCI/CompTel Joint Petition for Expedited Rulemaking, filed with the FCC on May 30, 1997, the FCC's subsequent Public Notice, public comments submitted in response of the Public Notice and LCUG's Service Quality Measurements (SQM's) and Performance Standards.

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Mr. William F. Caton  
Page 2  
September 18, 1997

Mr. Welborn of Sprint, along with the other LCUG members, discussed the necessity of performance standards to ensure adequate access by competitive local exchange carriers ("CLEC") to incumbent local exchange carriers ("ILEC") operation support systems. LCUG discussed the need for an FCC rulemaking to establish performance standards for ILECs to meet OSS requirements as set forth in the FCC's First Report and Order, given the difficulties that CLECs have encountered with OSS access and unreasonable and discriminatory situations. In response to questions and comments from the FCC staff, LCUG underscored the importance of parity through uniform measurements and reporting requirements data base accuracy, and verification process timeliness from a business and customers' perspective.

A copy of the LCI/CompTel Petition for Expedited Rulemaking of May 30, 1997, was distributed to the FCC Advisers. Attached is a copy of the Petition.

Please place a copy of this letter in the public record of the above-referenced docket. Thank you for your assistance.

Sincerely,

A handwritten signature in black ink, appearing to read "Douglas W. Kinkoph" followed by a stylized flourish.

Douglas W. Kinkoph  
Director, Regulatory/Legislative Affairs

cc    Thomas Boasberg  
      Jim Casserly  
      Kathy Franco  
      Paul Gallant

BEFORE THE  
FEDERAL COMMUNICATIONS COMMISSION  
WASHINGTON, DC 20554

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SEP 18 1997  
FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY

In the Matter of: )

Implementation of the Local )  
Competition Provisions in the )  
Telecommunications Act of 1996 )

CC Docket No. 96-98

PETITION FOR  
EXPEDITED RULEMAKING

(including Appendices A & B)

BY  
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and  
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May 30, 1997

## SUMMARY

This petition seeks an expedited rulemaking to establish the performance standards that must be met for ILECs to meet the OSS requirements of the Commission's First Report and Order in CC Docket No. 96-98 (the Order). This petition is appropriate because: (i) to date, notwithstanding the January 1, 1997 deadline set by the Commission, not a single ILEC has met its burden of demonstrating that it is providing parity of access to its OSS; and (ii) there is substantial debate concerning what those criteria should be, which in itself is impeding compliance. Substantively, it is consistent with the evaluation and proposals made by the United States Department of Justice in its evaluation of SBC's section 271 application.

The provision of nondiscriminatory access to their OSS functions, where the ILECs provide CLECs with at least the same quality of access that they provide to themselves (i.e., parity), is a cornerstone of section 251 and the Order. Without such parity, local telephone competition cannot become a reality because CLECs cannot provide their customers with the same actual or perceived service (i.e., prompt ordering and connection, billing, maintenance and repair).

The ILECs have refused or have been unable to provide the kind of data and measurement criteria that is needed for the CLECs to determine if they are being provided parity of OSS access. [See, e.g., DOJ Evaluation at 60-61 ("[S]BC has not established a sufficiently comprehensive set of performance standards, nor supplied its own retail performance information, to permit such a comparison")] This petition, therefore, outlines what is required to have a fully-functioning OSS accessible to the CLECs on an adequate basis. If an ILEC meets these suggested criteria, it then reasonably can be assumed that parity has been achieved.

Customers expect orders to be filled promptly, problems to be corrected promptly, and bills to be accurate. Hence, as to timeliness, a fully-functioning OSS should have: (i) service orders

filled within 24 hours; (ii) firm order confirmations returned within 4 hours; (iii) telephone numbers available immediately; (iv) usage and billing information provided within 24 hours; and (v) service outages tracked and reported every 4 hours and faulty service restored within 24 hours. As to capacity, a fully-functioning OSS should handle all processes to support new orders for 5% of the customer base per month. As to effectiveness, a fully-functioning OSS should be systems operational 99.7% of the time and provide accurate data.

The failures of the ILECs can be seen in every aspect of OSS access and across all the functions of OSS. These failures include:

1. ***Manual Intervention.*** Not one of the ILECs has provided electronic OSS interfaces that are fully tested and are capable of handling orders and other tasks without manual intervention at a sufficient level to meet the demand of the CLECs. As a result, the CLECs are facing staggering backlogs that the ILECs do not face, as well as an unacceptable error rate and delays in service and billing, which necessarily creates enormous, and even insurmountable, difficulties in attracting new customers and holding on to existing customers.

Manual intervention is not satisfactory because “[it] causes delay, sometimes substantial, and creates significant risk of error.” [Spivy at 6; Miller at 7; Long-2 at 171-72] “By relying upon manual interventions, the ILEC can hold its competitors hostage to its own response time,” and “[a]s transaction volumes increase, manual interventions create huge bottlenecks.” [Spivy at 6; Miller at 7] As the Commission has recognized: “Obviously, an incumbent that provisions network resources electronically does not discharge its obligation under § 251(c)(3) by offering competing providers access that involves human intervention, such as facsimile-based ordering.” [Order ¶ 523] Nevertheless, at least one ILEC (NYNEX) “is unwilling to commit to *eliminating* the need for manual intervention” [Spivy at 29], and no ILEC appears even close to doing so.

2. ***Lack of Standardization.*** Despite the Commission's emphasis on the desirability of standardization, the ILECs are doing little to develop standardized approaches to interfaces. [Meade at 11 ("Each [ILEC] has its own requirements for ordering and provisioning procedures, such as specific order forms and interfaces (manual, mechanical, electronic), any of which may have a specific software database platform")]. This refusal by the ILECs from attempting to maximize standardization poses enormous burdens in time and money for all competitors, but particularly for smaller competitors such as LCI and CompTel members, which have to try to keep up with myriad different approaches. [See Martinez at 8 ("it is absolutely critical that interfaces are uniform" because the "costs of developing systems and software and of training necessary to use any particular interface are substantial")]

3. ***Delays in Customer Orders.*** Chronic delays have been incurred in the processing of customer service record (CSR) requests, CLEC orders, firm order confirmations and completion notices, and, most significantly, in the provisioning of service to CLEC customers. As of March 1997, Bell Atlantic "was not yet able to provide even a demonstration of its preordering interface." [Morson at 16-17] PacBell conceded in late April that it "still has a backlog," and that the earliest it will be able to meet the order demand will be October 1997, and then only if myriad "assumptions" are met [4/24/97 PacBell Letter; McCain Letter]. With NYNEX, on "at least 32% of the orders that LCI has initiated between February 1 and March 18, 1997, the due date that was given by NYNEX to LCI's customers has not been met." [Wajsgas at 5-6] The effect of these delays is that CLECs cannot provide their customers with the same kind of prompt and attentive service that the customers can obtain from the ILECs, and are thus unable to compete effectively against the ILECs.

4. ***Delays in Billing Information.*** The ILECs typically do not provide sufficient and timely information to allow LCI and others to generate accurate and timely bills to their customers.

Illustratively, PacBell does not make available its uniform service order codes (USOCs) which are needed for auditing purposes. [2/4/97, 3/24/97 and 4/3/97 LCI Letters] Further, to have parity in billing and auditing capabilities, a CLEC must timely receive daily usage records for all local usage, but this has not been provided by the ILECs. NYNEX, for example, "has persistently failed to provide LCI with call record information on a timely basis," such that "on over 40% of the calls made by LCI customers, NYNEX does not transmit the call record data until three days or more after the call was made." [Wajsgras at 6-7] Similarly, BellSouth still is providing paper versions of aggregated billing data requiring CLECs to "dedicate personnel to manually review each BellSouth bill and manually input the information" into their own computer systems, which "imposes a burdensome and costly process on" the CLEC. [Strow at 43]

5. ***Limitations in Systems for Maintenance and Repair.*** For maintenance and repair, NYNEX, for example, employs a proprietary system that "is not an industry standard." [Spivy at 35-36] Bell Atlantic's trouble handling system for CLECs is "severely limited" because it has "far fewer dedicated fields than Bell Atlantic uses for itself." [Morson at 33] "BellSouth is not even offering the small comfort of the local carrier service center (LCSC) to handle repair issues" so that "resellers apparently will have to call into the same service centers that BellSouth Has established for retail customers and, in all likelihood, engage in awkward, three-way telephone calls with their customers and [the] BellSouth service center." [Martinez at 33-34]

### ***Relief Requested***

The Commission has identified access to reasonable, adequate OSS functions of the ILECs on a nondiscriminatory, parity basis as an “essential” and “absolutely necessary” predicate for CLECs to be able to compete in local markets. Until the ILECs meet their burden of showing that they are providing the requisite OSS access, consumers will not enjoy the lower prices, innovation and enhanced quality that true local telephone competition promises to bring. As of now, it is not clear that the ILECs even understand their burden. [See, e.g., Sinn at 36-38 (PacBell vice-president construed “parity of access” to mean “parity among CLECs” and not “parity between CLECs and the ILEC”)]

Thus, the Petitioners request that the Commission enter an expedited order requiring that:

- each ILEC disclose: (a) each OSS function for which it has established performance standards for itself; and (b) each OSS function for which it has not established performance standards for itself; and
- where the ILEC has established performance standards for itself, that the ILEC further disclose precisely what those performance standards are, together with appropriate historical data and measurement criteria.

Petitioners further request that the Commission thereafter determine the appropriate minimum performance standards for each OSS function (including those functions for which the ILEC has not established performance standards for itself), so that each ILEC will be in compliance with the OSS requirements of the Order. Petitioners further request that the Commission establish any related OSS requirements (e.g., appropriate beta testing to ensure operability and scalability) that must be met by an ILEC in both the resale and unbundled environments, including the network platform. Petitioners finally request that the Commission model these performance standards on the standards formulated by the Local Competition Users Group, attached as Appendices A and B.



## TABLE OF CONTENTS

<b>SUMMARY .....</b>	<b>i</b>
<b>TABLE OF SOURCES AND SOURCE CONVENTIONS .....</b>	<b>vi</b>
<b>INTRODUCTION .....</b>	<b>1</b>
<b>DISCUSSION .....</b>	<b>3</b>
<b>A. The OSS Requirements .....</b>	<b>3</b>
1. Importance of the Pertinent Requirements .....	3
2. The Pertinent Requirements .....	4
a. General Requirements .....	8
b. Pre-Ordering .....	9
c. Ordering/Provisioning .....	11
d. Billing .....	13
e. Maintenance/Repair .....	15
3. Operational Readiness .....	16
4. Desirability of Standardization .....	21
5. Verification and Monitoring .....	23
6. Parity of Access .....	25
7. Application of the Pertinent Requirements for Resale and Unbundled Network Elements .....	28
<b>B. Failure of the ILECs to Meet the OSS Requirements.....</b>	<b>30</b>
1. Global Failure of the ILECs .....	30
2. Specific Illustrative Failures of the ILECs .....	34
a. Ameritech's Failures .....	34
b. PacBell's Failures .....	49
c. NYNEX's Failures .....	60
d. Bell Atlantic's Failures .....	70
e. BellSouth's Failures .....	75
f. Southwestern Bell's Failures .....	80
g. US West's Failures .....	83
h. GTE's Failures .....	83
i. Other ILECs' Failures .....	84
<b>C. The Need for OSS Compliance by the ILECs .....</b>	<b>84</b>
<b>D. Importance of Setting OSS Compliance Guidelines .....</b>	<b>86</b>
<b>CONCLUSION/RELIEF REQUESTED .....</b>	<b>87</b>

## **APPENDICES**

**Appendix A**      LCUG Report: Foundation for Local Competition:  
Operations Support Systems Requirements for Network  
Platform and Total Services Resale

**Appendix B**      LCUG Service Quality Measurements (SQMs)

**SOURCE MATERIALS** (separately bound)

## TABLE OF SOURCES AND SOURCE CONVENTIONS\*

<u>TAB</u>	<u>Convention</u>	<u>Source</u>
1	Agatston:	Declaration of David Agatston on Behalf of MCI Telecommunications Corporation Before the Pennsylvania Public Utility Commission, Docket No. M-960840 (Mar. 10, 1997)
2	AT&T Brief:	Initial Brief of AT&T Communications of New York, Inc. Before the New York Public Service Commission, Case No. 97-C-0271 (Apr. 17, 1997)
3	AT&T Complaint:	Complaint Filed by AT&T Communications of California, Inc. Before the California Public Utilities Commission, Case No. C-96-12-044 (Dec. 23, 1996)
4	AT&T Reply-O:	AT&T Communications of Ohio, Inc. Reply Brief Before the Ohio Public Utilities Commission, Case No. 96-702-TP-COI (Mar. 17, 1997)
5	AT&T Response:	AT&T's Response to BellSouth's April 15, 1997 Monthly Surveillance Report for Electronic Interfaces Before the Georgia Public Service Commission, Docket No. 6352-U (May 14, 1997)
6 *	BOC Notes: *	Bell Communications Research, <i>BOC Notes on the LEC Networks—1994</i> , SR-TSV-002275, Issue 2 (Apr. 1994)
7	Business Week:	Commentary by Peter Elstrom in Business Week at 42 (Apr. 7, 1997)
8	Cal PUC Workshop:	Joint Workshop Before the California Public Utilities Commission, Case No. R 95-04-043 (Mar. 14, 1997)
9	Collier:	Testimony of Mary Ann Collier Before the California Public Utilities Commission, Case No. 96-12-026 (Apr. 18, 1997)
10	CompTel Opposition:	Opposition of the Competitive Telecommunications Association Before the Federal Communications Commission, CC Docket No. 97-121 (May 1, 1997)

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\* Other than the few items marked with an (\*), the cited pages from these materials are assembled and presented in separate volumes with an index for convenient reference (where the documents are lengthy, only the cited pages appear). These source materials may be obtained upon request in their abbreviated or in complete form. The items marked with an (\*) are omitted from the collection of source materials because they are generally available or have been filed previously with or promulgated by the Commission.

<b><u>TAB</u></b>	<b><u>Convention</u></b>	<b><u>Source</u></b>
11	Connolly-M:	Affidavit of Timothy M. Connolly on Behalf of AT&T Communications of Michigan, Inc. Before the Michigan Public Service Commission, Case No. U-11104 (Jan. 7, 1997)
12	Connolly-S:	Supplemental Testimony of Timothy M. Connolly on Behalf of AT&T Communications of Illinois, Inc. Before the Illinois Commerce Commission, Docket No. 96-0404 (Jan. 8, 1997)
13	Connolly-W:	Prefiled Direct Testimony of Timothy M. Connolly on Behalf of AT&T Communications of Wisconsin, Inc. Before the Wisconsin Public Service Commission, Docket No. 6720-TI-120 (Mar. 19, 1997)
14	Connolly-WR:	Rebuttal Testimony of Timothy M. Connolly on Behalf of AT&T Communications of Wisconsin, Inc. Before the Wisconsin Public Service Commission, Docket No. 6720-TI-120
15	CTC Comments:	Comments of California Telecommunications Coalition on Pacific Bell's (U 1001 C) Proposed Statement of Generally Available Terms Before the California Public Utilities Commission, Application No. 97-02-020 (Mar. 21, 1997)
16	CUC:	Initial Comments of Consumers' Utility Counsel Before the Georgia Public Service Commission, Docket No. 6863-U (Mar. 14, 1997)
17	Dalton:	Statement of Nancy Dalton on Behalf of AT&T Communications of the Southwest Before the Oklahoma Corporation Commission, Cause No. PUD 970000064 (Mar. 6, 1997)
18	Dalton-R:	Rebuttal Statement of Nancy Dalton on Behalf of AT&T Communications of the Southwest Before the Oklahoma Corporation Commission, Cause No. PUD 970000064 (Mar. 25, 1997)
19 *	DOJ Evaluation: *	Evaluation of the United States Department of Justice Before the Federal Communications Commission, CC Docket No. 97-121 (May 16, 1997)
20	Fischer:	Deposition of Susan Virginia Fischer Before the California Public Utilities Commission, Case No. 96-012-026 (Mar. 10, 1997)

<b><u>TAB</u></b>	<b><u>Convention</u></b>	<b><u>Source</u></b>
21	Georgia Order:	Order Regarding Statement of the Georgia Public Service Commission, Docket No. 7253-U (Mar. 20, 1997)
22	Halloran:	Statement of Eileen M. Halloran on Behalf of AT&T Communications of New York, Inc. Before the New York Public Service Commission, Case No. 97-C-0271 (Mar. 30, 1997)
23	Hou:	Statement of Michael M. Hou on Behalf of AT&T Communications of New York, Inc. Before the New York Public Service Commission, Case No. 97-C-0271 (Mar. 30, 1997)
24	Huels:	Testimony of Stephen Huels Before the California Public Utilities Commission, Case No. 96-12-026
25	Illinois Proposed Order:	Hearing Examiner's Proposed Order, Illinois Commerce Commission, Docket No. 96-0404 (Mar. 6, 1997)
26	Jennings:	Rebuttal Testimony of Jake E. Jennings of the Illinois Commerce Commission Staff Before the Illinois Commerce Commission, Docket No. 96-0404 (Jan. 7, 1997)
27	Kennedy:	Statement of Vern M. Kennedy on Behalf of Community Telephone Before the New York Public Service Commission, Case No. 97-C-0271 (Mar. 28, 1997)
28	King:	R. King, "Missing Links," tele.com at 52 (Feb. 1997)
29	Kirchberger-D	Affidavit of Robert J. Kirchberger on Behalf of AT&T Communications of Delaware, Inc. Before the Public Service Commission fo the State of Delaware, Docket No. 96-234 (Apr. 11, 1997)
30	Kirchberger-N:	Affidavit of Robert J. Kirchberger on Behalf of AT&T Communications of New Jersey, Inc. Before the New Jersey Board of Public Utilities, Docket No. T097030166 (Apr. 15, 1997)
31	Kirchberger-P:	Declaration of Robert J. Kirchberger on Behalf of AT&T Communications of Pennsylvania, Inc. Before the Pennsylvania Public Utility Commission, Docket No. M-960840
32	LCI Brief:	Initial Brief of LCI International Telecom Corp. in Opposition to New York Telephone Company's (1) Petition for Approval of Its Statement of Generally Available Terms and Conditions and (2) Draft Petition for InterLATA Entry
33	LCI Letter:	Letters Written (on the date indicated) by LCI to PacBell, Ameritech, NYNEX and Senator McCain ("McCain Letter")

<b><u>TAB</u></b>	<b><u>Convention</u></b>	<b><u>Source</u></b>
34	Long:	Deposition of Ann Marie Long Before the California Public Utilities Commission, Case No. 96-012-026 (Mar. 21 & 28, 1997)
35	Mallen:	Deposition of Michael Mallen Before the California Public Utilities Commission, Case No. 96-12-026 (Apr. 15, 1997)
36	Marlin:	Direct Testimony of W. David Marlin on Behalf of LCI International Telecom Corp. Before the Illinois Commerce Commission, Docket No. 96-0404 (Apr. 22, 1997)
37	Martinez:	Direct Testimony of Ronald Martinez on Behalf of MCI Telecommunications Corporation Before the Georgia Public Service Commission, Docket No. 6863-U (Feb. 14, 1997)
38	Meade:	Direct Testimony of Loyall Meade on Behalf of MFS Intelenet of Georgia, Inc. Before the Georgia Public Service Commission, Docket No. 6863-U (Feb. 14, 1997)
39	Meyer-K:	Affidavit of Cynthia K. Meyer on Behalf of Sprint Communications Company L.P. Before the Kansas Corporation Commission, Case No. 97-SWBT-411-GIT (Mar. 13, 1997)
40	Meyer-O:	Testimony of Cynthia K. Meyer on Behalf of Sprint Communications Company L.P. Before the Oklahoma Corporation Commission, Cause No. PUD 970000064 (Mar. 13, 1997)
41	MCI Complaint:	Complaint Filed by MCI Against PacBell Before the California Public Utilities Commission (Feb. 17, 1996)
42	MCI Response:	Response of MCI Telecommunications Corporation to Submission of Information of Ameritech Michigan Before the Michigan Public Service Commission, Case No. U-11104 (Jan. 9, 1997)
43	Miller:	Direct Testimony of Ali Miller on Behalf of MCI Telecommunications Corporation (OSS Issues) Before the Wisconsin Public Service Commission, Docket No. 6720-TU-120
44	Miller-S:	Supplemental Direct Testimony of Ali Miller on Behalf of MCI Telecommunications Corporation Before the Illinois Commerce Commission, Docket No. 96-0404
45	Miller-SR:	Surrebuttal Testimony of Ali Miller on Behalf of MCI Telecommunications Corporation Before the Wisconsin Public Service Commission, Docket No. 6720-TU-120

<b><u>TAB</u></b>	<b><u>Convention</u></b>	<b><u>Source</u></b>
46	Moir:	Deposition of Caryn D. Moir Before the California Public Utilities Commission, Case No. 96-012-026 (Mar. 13, 1997)
47	Morson:	Declaration of Roberto Morson on Behalf of MCI Telecommunications Corporation Before the Pennsylvania Public Utility Commission, Docket No. M-960840
48	Nelson:	Affidavit of Michael J. Nelson on Behalf of Sprint Communications Company L.P. Before the New York Public Service Commission, Case 97-C-0271 (Mar. 28, 1997)
49	NY ALJ Letter	Letter of the Administrative Law Judge of the New York Department of Public Service, Case 97-C-0271 (May 13, 1997)
50 *	NYNEX SGAT *	Statement of Generally Available Terms and Conditions for Interconnection Services, Access to Unbundled Network Elements, Resale Telecommunications Services and Ancillary Telecommunications Service by New York Telephone Company d/b/a NYNEX (Apr. 13, 1997)
51 *	Order *	First Report and Order of the Federal Communication Commission, CC Docket No. 96-98, Implementation of the Local Competition Provisions of the Telecommunications Act of 1996 (Aug. 8, 1996)
52	Pfau-G:	Direct Testimony of C. Michael Pfau on Behalf of AT&T Communications of the Southern States, Inc. Before the Georgia Public Service Commission, Docket No. 6863-U (Feb. 14, 1997)
53	Pfau-M:	Affidavit of C. Michael Pfau on Behalf of AT&T Communications of Michigan, Inc. Before the Michigan Public Service Commission, Case No. U-11104 (Jan. 8, 1997)
54	Pfau-S:	Supplemental Testimony of C. Michael Pfau on Behalf of AT&T Communications of Illinois, Inc. Before the Illinois Commerce Commission, Docket No. 96-0404 (Jan. 8, 1997)
55	Reeves-M:	Affidavit of Betty L. Reeves on Behalf of Sprint Communications Company L.P. Before the Michigan Public Service Commission, Case No. U-11104 (Jan. 8, 1997)
56	Reeves-S:	Supplemental Direct Testimony of Betty L. Reeves on Behalf of Sprint Communications Company L.P. Before the Illinois Commerce Commission, Docket No. 96-0404 (Apr. 22, 1997)

<b><u>TAB</u></b>	<b><u>Convention</u></b>	<b><u>Source</u></b>
57	Reeves-W:	Testimony of Betty L. Reeves on Behalf of Sprint Communications Company L.P. Before the Wisconsin Public Service Commission, Docket No. 6720-TI-120 (Mar. 19, 1997)
58	Schwartz:	Deposition of Laura Schwartz Before the California Public Utilities Commission, Case No. 96-12-026 (Apr. 1, 1997)
59 *	Second Order on Recon: *	Second Order on Reconsideration of the Federal Communication Commission, CC Docket No. 96-98 (Dec. 13, 1996)
60	Sinn:	Deposition of Jerold R. Sinn Before the California Public Utilities Commission, Case No. 96-12-026 (Mar. 17, 1997)
61	Smith:	Revised Statement of Mark T. Smith on Behalf of Sprint Communications Company L.P. Before the Pennsylvania Public Utility Commission, Docket No. M-00960840 (Mar. 11, 1997)
62	Spivy:	Affidavit of Adalene (Nene) Spivy on Behalf of MCI Telecommunications Corporation and MCI metro Access Transmission Services, Inc. Before the New York Public Service Commission, Case No. 97-C-0271 (Apr. 1, 1997)
63	Sprint Complaint:	Complaint Filed by Sprint Against PacBell Before the California Public Utilities Commission (Feb. 20, 1997)
64	Stankey:	Deposition of John T. Stankey Before the California Public Utilities Commission, Case No. 96-12-026 (Apr. 8, 1997)
65	Strow:	Prefiled Direct Testimony of Julia Strow on Behalf of Intermedia Communications Inc. Before the Georgia Public Service Commission, Docket No. 6863-U (Feb. 13, 1997)
66	Sywenki:	Statement of Peter N. Sywenki on Behalf of Sprint Communications Company L.P. Before the Pennsylvania Public Utilities Commission, Docket No. M-960840 (Mar. 10, 1997)
67	Tamplin:	Direct Testimony of James A. Tamplin, Jr. on Behalf of AT&T Communications of the Southern States, Inc. Before the Georgia Public Service Commission, Docket No. 6863-U (Feb. 14, 1997)
68	Tavidian:	Declaration of Betty Tavidian on Behalf of MCI Telecommunications Corporation Before the Pennsylvania Public Utility Commission, Docket No. M-960840 (Mar. 10, 1997)



<b><u>TAB</u></b>	<b><u>Convention</u></b>	<b><u>Source</u></b>
69	TCG Comments:	Comments of Teleport Communications Group Inc. Before the Michigan Public Service Commission, Case No. U-11104 (Jan. 9, 1997)
70	TechConf:	Reporter's Transcript of Minutes of Technical Conference Before the New York Public Service Commission (Apr. 1-4, 1997)
71	US West Petition:	Petition for Waiver Filed by US West Before the Federal Communication Commission, CC Docket No. 96-98 (Dec. 12, 1996)
72	Villagomez:	Deposition of Jamie Villagomez Before the California Public Utilities Commission, Case No. 96-12-026 (Apr. 15, 1997)
73	Wall:	Supplemental Testimony of Dennis Wall on Behalf of MCI Telecommunications Corporation Before the Illinois Commerce Commission, Docket No. 96-0404
74	Washington Report:	Arbitrator's Report and Decision Before the Washington Utilities and Transportation Commission, Docket No. UT-960338 (Dec. 3, 1996)
75	Wajsgas:	Affidavit of Michael L. Wajsgas on Behalf of LCI International Telecom Corporation Before the New York State Public Service Commission, Case No. 97-C-0271 (Apr. 1, 1997)
76	Wisconsin Order:	Staff Draft Findings of Fact, Conclusions of Law and Second Order Before the Wisconsin Public Service Commission, Docket No. 6720-T-120 (May 5, 1997)
77	Wisconsin TR:	Transcript of Proceedings Before the Wisconsin Public Service Commission, Docket No. 6720-T-120 (Mar. 31, 1997)
78	Wisconsin URR:	Wisconsin Utility Regulation Report (Apr. 3, 1997)
79	Wood:	Deposition of Lesley Wood Before the California Public Utilities Commission, Case No. 96-012-026 (Apr. 14, 1997)
80	Workshop Comments:	Comments of AT&T and MCI on Supplemental Operations Supports Systems Filings of Pacific Bell and GTE Before the California Public Utilities Commission, Docket No. R.93-04-003 (Apr. 11, 1997)
81	AT&T Supplemental	Supplemental Post-Hearing Brief of AT&T Communications of Illinois, Inc. Before the Illinois Commerce Commissionin Docket No. 96-0404 (May 21, 1997)

## INTRODUCTION

On August 8, 1996, the Commission released its *First Report and Order* (the Order) in CC Docket No. 96-98 (*Implementation of the Local Competition Provisions of the Telecommunications Act of 1996*). The Order sets out the requirements that must be met by incumbent local exchange carriers (ILECs) under section 251(c) of the Telecommunications Act of 1996 (the Act), 47 U.S.C. §§ 151, *et seq.* Those requirements are intended to enable potential competitive local exchange carriers (CLECs) to enter and compete in local telephone markets. One such requirement, and one that the Commission found to be “absolutely necessary” and “essential” to successful entry and meaningful competition by CLECs, is the ILECs’ providing nondiscriminatory access to the ILECs’ operations support systems (OSS) by January 1, 1997. As yet, however, not a single ILEC has met that requirement. Moreover, while the Commission put to rest all questions concerning the importance of the ILECs’ providing nondiscriminatory access to their OSS, there is as yet no definitive statement setting out what it would take for an ILEC to be in compliance with the OSS provisions of the Order.

This petition is filed by LCI International Telecom Corp. (LCI), and Comptel. Petitioners seek an order providing for expedited rulemaking in furtherance of the Commission’s Order. Specifically this petition, first documents the relevant Order and section 251 requirements in practical terms regarding OSSs, and explains why the ILECs’ compliance with

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As used herein, “ILEC” means any incumbent local exchange carrier subject to 47 U.S.C. § 251(c). It does not include ILECs with less than 2% of subscriber lines in the aggregate nationwide, which have sought and received exemption, suspension or modification of the requirements of § 251(c) pursuant to an application filed with a state commission under 47 U.S.C. § 251(f).

The Competitive Telecommunications Association (“CompTel”) is a nationwide industry association representing the nation’s competitive telecommunications carriers. CompTel’s over 200 members include large nationwide carriers, smaller regional carriers, and their suppliers.

those requirements is essential to local telephone market entry. It next (i) sets out specific concrete recommendations for the criteria that should be applied, at least in the absence of the ILECs' disclosing their own performance standards, measurements and historical data, to determine compliance by the ILECs with the OSS requirements of the Order; and (ii) shows how the ILECs have failed to fulfill their obligation to meet those requirements. The petition then asks the Commission to order, on an expedited basis, that:

- each ILEC disclose (a) each OSS function for which it has established performance standards for itself; and (b) each OSS function for which it has not established performance standards for itself, and
- where the ILEC has established performance standards for itself, that the ILEC further disclose precisely what those performance standards are, together with appropriate historical data and measurement criteria.

Petitioners further request that the Commission thereafter determine the appropriate minimum performance standards for each OSS function (including those functions for which the ILEC has not established performance standards for itself), so that each ILEC will be in compliance with the OSS requirements of the Order. Petitioners further request that the Commission establish any related OSS requirements (e.g., appropriate beta testing to ensure operability and scalability) that must be met by an ILEC in both the resale and unbundled environments, including the network platform. Petitioners finally request that the Commission model these performance standards on the standards formulated by the Local Competition Users Group, attached as Appendices A and B.

Bringing this clarity and finality to the "OSS battle" that is raging throughout the states will bring significant benefits for all concerned -- i.e., the ILECs will know precisely what they need to do to meet their burden of demonstrating compliance with the OSS portions of the Order/section 251, and the CLECs will know when such compliance has been achieved. In this

way, the energies now being spent on debating the matter can better be directed to achieving compliance as rapidly as possible. \*

## ***DISCUSSION***

### ***A. The OSS Requirements***

#### ***1. Importance of the Pertinent Requirements***

The OSS of an ILEC is the key element that allows for the pre-ordering, ordering, provisioning and many other vital functions of service (e.g., maintenance and repair, billing, collecting and analyzing traffic data, exercising real-time network control, and forecasting future needs) for customers through electronic interfaces. No matter what else an ILEC might do to comply with the Order and section 251, "it is absolutely necessary for competitive carriers to have access to operations support systems functions in order to successfully enter the local service market." [Order ¶ 521] Thus, "operations support systems functions are essential to the ability of competitors to provide services in a fully competitive local service market" [Order ¶ 522], and "operational interfaces [to the OSS] are essential to promote viable competitive entry" [Order ¶ 516]. And, if CLECs do not have access to ILECs' OSS functions "in substantially the same time and manner than an incumbent can for itself, competing carriers will be severely disadvantaged, if not precluded altogether, from fairly competing," and "[t]hus providing nondiscriminatory access to these support systems functions, which would include access to the

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\* Illustrative of the confusion on the part of the RBOCs, a PacBell senior vice-president, in sworn testimony, explained his view of the parity requirement of the Commission's Order as follows: "I am referring to the FCC order that says that we need to provide service equal in quality to that which we provide to others. That's what I'm referring to [by the term parity]." "The orders coming in though the LISC, at that time, we needed to ensure that we were giving equal treatment to all of those orders, first come, first served basis, and moving them through the process." [Sinn at 36-37] Of course, that is not what "parity" means under the Order -- it means that PacBell must provide the same access to the CLEC as it does to itself. [See Order ¶¶ 316, 518, 523]

information such systems contain, is vital to creating opportunities for meaningful competition.” [Order ¶ 518] In short, parity of access to the ILECs’ OSS functions is a cornerstone to the Act’s “requir[ing] telephone companies to open their networks to competition.” [Order ¶ 1; see also Order ¶¶ 505 & 507 (comments of potential entrants on the importance of nondiscriminatory access to ILECs’ OSSs) and Spivy at 3 (“In today’s environment, a carrier simply cannot compete without powerful and efficient operations support capabilities”)]

Clearly, then, the Commission recognized the importance of providing access to OSS functionality in its Order when it concluded that: (i) the ILECs have the burden of showing that they are providing access to OSS functions pursuant to their obligation to offer access to unbundled network elements under section 251(c)(3) as well as their obligation to furnish access on a nondiscriminatory basis to all services made available for resale under section 251(c)(3-4); and (ii) ILECs “must do so as expeditiously as possible, but in any event no later than January 1, 1997.” [Order ¶¶ 316, 516-17, 525] Meeting the Order’s OSS requirements was not seen as a far-away, unattainable objective -- instead, it was characterized as one of the “minimum requirements upon which the states may build” and the Commission determined that it was “technically feasible” for ILECs to provide such access by the established deadline. [Order ¶¶ 24, 66, 516, 524]

Subsequently, in its *Second Order on Reconsideration* (Second Order on Recon), the Commission reaffirmed these conclusions. While noting that it would not take enforcement action against a non-complying ILEC under certain conditions, the Commission reiterated that: (i) ILECs must demonstrate that they are providing access to OSS on terms and conditions “equal to the terms and conditions on which an incumbent LEC provisions such elements to itself or its customers” [Second Order on Recon ¶ 9]; (ii) the “actual provision” of such access “must

be governed by an implementation schedule” [Second Order on Recon ¶ 8]; and (iii) “incumbent LECs that do not provide access to OSS functions, in accordance with the *First Report and Order*, are not in full compliance with Section 251” [Second Order on Recon ¶ 11]. In recognition of its earlier finding that “it is technically feasible for incumbent LECs to provide access to OSS functions for unbundling and resale,” the Commission denied the ILECs’ request to extend the January 1, 1997 deadline for compliance “regarding access to OSS functions,” and at the same time assured that it would “monitor closely the progress of industry organizations as they implement the rules adopted in this proceeding” and take “enforcement action where circumstances warranted.” [Second Order on Recon ¶¶ 2, 5, 11, 13, 15] The Commission repeated its finding that it is “reasonable to expect that by January 1, 1997, new entrants will be able to compete for end user customers by obtaining nondiscriminatory access to operations support systems functions,” and “[t]hus, under our rules, incumbent ILECs must have made modification to their OSS necessary to provide access to OSS functions by January 1, 1997.” [Second Order on Recon ¶ 7 (citing Order ¶¶ 524-25)]

## **2. The Pertinent Requirements**

OSSs are the computer-based systems and databases that telecommunications carriers use to provide essential customer and business support functions. [Order ¶ 518; Spivy at 3 (“OSS includes everything that runs or monitors the network” and “consists of all the computerized and automated systems, together with associated business processes, that ensure a telecommunications carrier can satisfy customer needs and expectations”)] OSSs encompass the functions of “preordering, ordering, provisioning, maintenance and repair, and billing” for network elements and resale services. [Order ¶ 523] A fully-functioning OSS from the point of view of CLECs:

- (i) allows the customer to order service from the CLEC (the pre-order);
- (ii) enables the ILEC to promptly accept the CLEC's order for processing (ordering);
- (iii) provides the customer with what the customer ordered on time (provisioning);
- (iv) transmits to the CLEC a timely and accurate bill (billing); and
- (v) monitors that the service is satisfactory and gets fixed when broken (maintenance and repair).

[Order ¶ 518 (also outlining "the information maintained by these systems")] Each of these areas was made expressly subject to the January 1, 1997 deadline. [See Order ¶¶ 516, 523-24; Second Order on Recon ¶ 9; 47 CFR § 51.319]

The availability, accuracy and timeliness of the information used and maintained by OSSs are critical to a carrier's efforts to satisfy its customers. And because the timeliness and reliability of OSSs are so vital to providing and maintaining quality service to end users, the performance of these systems is extremely important. OSSs that are slow to respond, or are unreliable, undermine a carrier's efforts to ensure that customers get the services they want when they request them. It is critical that the interface to the OSS be electronic, and that the OSS functions electronically without manual intervention. The bottom-line is: A carrier cannot conduct its business effectively or efficiently without error-free, well-designed, and well-developed electronic OSSs. [See Meade at 14 ("Local competition cannot work until OSS systems are in place so that LEC to CLEC conversions are as simple as a PIC change for long distance service. Until that happens, it will be almost impossible for significant local competition to develop.")]

Representatives of the Local Competition Users Group (LCUG), whose members are AT&T, LCI, MCI, Sprint and WorldCom, have made substantial efforts to consider the minimum criteria that a reasonable and adequate fully-functioning OSS would need to meet if the CLECs are to have the opportunity to provide the service that customers demand. These

individuals have substantial experience in serving telephone customers and understand what is needed to satisfy such customers. On February 12, 1997, LCUG published a report entitled, "Foundation for Local Competition: Operations Support Systems Requirements for Network Platform and Total Services Resale" (FLC Report), which defines in qualitative terms the functions that must be met for an ILEC to provide a fully implemented OSS (copy attached as Appendix A). Relatedly, LCUG set out Service Quality Measurements (SQMs) that define in quantitative terms the specific parameters that should be met for an ILEC to provide a fully implemented OSS (copy attached as Appendix B). These two presentations provide in clear detail the criteria that should be met in providing adequate access to an ILEC's OSS functions. [For a general discussion of the development of these guidelines by LCUG, see Wall at 2-5, presenting the LCUG standards to the Illinois Commerce Commission.] They also are consistent with the approach and presentation recently offered by the United States Department of Justice. [See DOJ Evaluation at 28-30 ("a BOC must demonstrate that its electronic interfaces and processes, when combined with any necessary manual processing, allow competitors to serve customers throughout a state and in reasonably foreseeable quantities, or that its wholesale support processes are scalable to such quantities as demand increases"), DOJ Appendix A and supporting affidavits]

We recognize that the Commission's Orders require "nondiscriminatory" access to OSS, and do not presently adopt particular performance standards or benchmarks. The ILECs, however, generally have refused to respond to requests for data sufficient to show the objectives they have established for their own internal operations, and actual performance against those objectives. [See, e.g., DOJ Evaluation at 60-61 (discussing SBC's failure to "establish a sufficiently comprehensive set of performance standards, [and] suppl[y] its own retail



performance information, to permit such a comparison”) and the accompanying Friduss affidavit); Tamplin at 24-25 (BellSouth “contends that it does not know what its own internal benchmarks are”)]

Accordingly, the intervals discussed in the text and in Appendices A and B, developed by the LCUG members, reflect a reasonable understanding of the minimum required to ensure customer satisfaction. It is reasonable, therefore, to assume that an ILEC is not providing nondiscriminatory access to OSS unless these intervals are met (although an ILEC which fails to meet these intervals may have a defense to a contention that it is violating its obligations if it can show by clear and convincing evidence that the access it is providing to CLECs is at parity with the access it provides to itself). Conversely, even if parity is not strictly achieved, if an ILEC does meet these criteria, there can be some reasonable confidence that the respective CLECs have a significant likelihood of being able to serve their customers in a satisfactory manner and compete effectively.

Here, then, is a summary of the standards set forth in further detail in the LCUG’s Appendices A and B that minimally should be met by an ILEC in providing adequate access to a fully-functioning OSS:

***a. General Requirements***

Customers expect that their orders will be filled promptly, any problems will be corrected promptly, and their bills will be accurate. Hence, as to timeliness, a fully-functioning OSS would have:

- (i) service orders filled within 24 hours;
- (ii) firm order confirmations returned within 4 hours;
- (iii) telephone numbers available immediately;
- (iv) usage and billing information provided within 24 hours; and